TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
CABA Therapy Services

Respondent Name
Texas Mutual Insurance

MFDR Tracking Number
M4-15-3780-01

Carrier's Austin Representative
Box Number 54

MFDR Date Received
July 20, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "I am resubmitting the attached claims for payment. This is the third time I have sent this claim to you. I have corrected all of these claims concerning the license format."

Amount in Dispute: $1,172.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Texas Mutual declined to issue payment as Medicare requires the supervising therapist to bill for the therapy provided by the assistant."

Response Submitted by: Texas Mutual

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
January 13 through February 25, 2015	Physical Therapy Services	$1,172.00	$828.76

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §133.20 sets out the requirements of medical bill submission by health care providers.
3. 28 Texas Administrative Code §133.10 sets out requirements related to billing forms and formats.
4. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.

5. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
    - P12 – Workers' compensation jurisdictional fee schedule adjustment
    - 745 – Incorrect license number format billed. Refer to DWC Clean Claim Guides
    - 193 – Original payment decision is being maintained
    - W3 – In accordance with TDI-DWC Rule 134.804, This bill has been identified as a request for reconsideration or appeal
    - 724 – No additional payment after a reconsideration of services

Issues

1. Did the requestor provide and bill the health care in dispute in accordance with 28 Texas Administrative Code §133.20?
2. Did the requestor complete the medical bill as required by rule 133.10?
3. What is the applicable rule pertaining to reimbursement?
4. Is the requestor entitled to additional reimbursement?

Findings

1. The insurance carrier denied disputed services with claim adjustment reason code 745 – "Incorrect license number format billed." 28 Texas Administrative Code §133.20 states, "A medical bill must be submitted:

    (1) for an amount that does not exceed the health care provider's usual and customary charge for the health care provided in accordance with Labor Code §413.011 and 415.005; and

    (2) in the name of the licensed health care provider that provided the health care **or** that provided direct supervision of an unlicensed individual who provided the health care.

Review of the submitted information finds:

- Progress Note for date of service January 13, 2015, lists the provider as Elizabeth Volk and in box 31, Elizabeth Volk is listed as the licensed provider of service.
- Progress Note for date of service January 30, 2015, lists the provider as Brandon Aldrich and in box 31, Brandon Aldrich is listed as the licensed provider of service.
- Progress Note for date of service February 3, 2015, lists the provider as Dusti Malone and in box 31, Dusti Malone is listed as the licensed provider of service.
- Progress Note for date of service February 5, 2015, lists the provider as Dusti Malone and in box 31, Dusti Malone is listed as the licensed provider of service.
- Progress Note for date of Service February 25, 2015, list the provider as Dusti Malone and in box 31, Dusti Malone is listed as the licensed provider of service.

The requestor met the requirements of Rule 133.20(e). The requestor's denial is not supported.

2. 28 Texas Administrative Code §133.10 (f) states,

    All information submitted on required paper billing forms must be legible and completed in accordance with this section. The parenthetical information following each term in this section refers to the applicable paper medical billing form and the field number corresponding to the medical billing form.

    (1) The following data content or data elements are required for a complete professional or noninstitutional medical bill related to Texas workers' compensation health care:

        (Z) signature of physician or supplier, the degrees or credentials, and the date (CMS1500/field 31) is required

The respondent states, "Texas Mutual declined to issue payment as Medicare requires the supervising therapist to bill for the therapy provided by the assistant."

28 Texas Administrative Code §134.203 (7) states in pertinent part,

> Specific provisions contained in the Texas Labor Code or the Texas Department of Insurance, Division of Workers' Compensation (Division) rules, including this chapter, shall take precedence over any conflicting provision adopted or utilized by CMS in administering the Medicare program.

The Division finds the Division rules take precedence of the referenced Medicare policy. Therefore the disputed services will be reviewed per applicable Division rules and fee guidelines.

3. 28 Texas Administrative Code 134.203 (c) states,

> To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.
>
> (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is (date of service yearly conversion factor).

The disputed services will be calculated as follows;

- Procedure code 97001, service date January 13, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 1.2 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 1.2228. The practice expense (PE) RVU of 0.87 multiplied by the PE GPCI of 1.006 is 0.87522. The malpractice RVU of 0.04 multiplied by the malpractice GPCI of 0.955 is 0.0382. The sum of 2.13622 is multiplied by the Division conversion factor of $56.20 for a MAR of $120.06. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at $120.06.
- Procedure code 97110, service date January 30, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.45855. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.006 is 0.44264. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.955 is 0.0191. The sum of 0.92029 is multiplied by the Division conversion factor of $56.20 for a MAR of $51.72. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is $39.28 at 12 units is $471.36. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is $110.00.
- Procedure code 97140, service date January 30, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.43817. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.006 is 0.4024. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.955 is 0.00955. The sum of 0.85012 is multiplied by the Division conversion factor of $56.20 for a MAR of $47.78. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is $36.47.
- Procedure code 97530, service date January 30, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.44 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.44836. The

practice expense (PE) RVU of 0.53 multiplied by the PE GPCI of 1.006 is 0.53318. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.955 is 0.00955. The sum of 0.99109 is multiplied by the Division conversion factor of $56.20 for a MAR of $55.70. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at $55.70. Per §134.203(h), reimbursement is the lesser of the MAR or the provider's usual and customary charge. The lesser amount is $55.00.

- Procedure code 97110, service date February 3, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.45855. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.006 is 0.44264. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.955 is 0.0191. The sum of 0.92029 is multiplied by the Division conversion factor of $56.20 for a MAR of $51.72. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at $51.72. The PE reduced rate is $39.28 at 2 units is $78.56. The total is $130.28.
- Procedure code 97140, service date February 3, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.43817. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.006 is 0.4024. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.955 is 0.00955. The sum of 0.85012 is multiplied by the Division conversion factor of $56.20 for a MAR of $47.78. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is $36.47.
- Procedure code 97010, service date February 3, 2015, has a status indicator of B, which denotes a bundled code. Payments for these services are always bundled into payment for other services to which they are incident.
- Procedure code 97002, service date February 5, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.6 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.6114. The practice expense (PE) RVU of 0.56 multiplied by the PE GPCI of 1.006 is 0.56336. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.955 is 0.0191. The sum of 1.19386 is multiplied by the Division conversion factor of $56.20 for a MAR of $67.09. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at $67.09.
- Procedure code 97110, service date February 5, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.45855. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.006 is 0.44264. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.955 is 0.0191. The sum of 0.92029 is multiplied by the Division conversion factor of $56.20 for a MAR of $51.72. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice

expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is $39.28 at 3 units is $117.84.

- Procedure code 97140, service date February 5, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.43 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.43817. The practice expense (PE) RVU of 0.4 multiplied by the PE GPCI of 1.006 is 0.4024. The malpractice RVU of 0.01 multiplied by the malpractice GPCI of 0.955 is 0.00955. The sum of 0.85012 is multiplied by the Division conversion factor of $56.20 for a MAR of $47.78. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure does not have the highest PE for this date. The PE reduced rate is $36.47.
- Procedure code 97010, service date February 5, 2015, has a status indicator of B, which denotes a bundled code. Payments for these services are always bundled into payment for other services to which they are incident.
- Procedure code 97110, service date February 25, 2015. The MAR is calculated by substituting the Division conversion factor. For this procedure, the relative value (RVU) for work of 0.45 multiplied by the geographic practice cost index (GPCI) for work of 1.019 is 0.45855. The practice expense (PE) RVU of 0.44 multiplied by the PE GPCI of 1.006 is 0.44264. The malpractice RVU of 0.02 multiplied by the malpractice GPCI of 0.955 is 0.0191. The sum of 0.92029 is multiplied by the Division conversion factor of $56.20 for a MAR of $51.72. Per Medicare policy, when more than one unit of designated therapy services is performed on the same day, full payment is made for the first unit of the procedure with the highest practice expense. Payment for each subsequent unit is reduced by 50% of the practice expense. This procedure has the highest PE for this date. The first unit is paid at $51.72. The PE reduced rate is $39.28 at 3 units is $117.84. The total is $169.56.

4. The total allowable reimbursement for the services in dispute is $898.50. This amount less the amount paid by the insurance carrier of $69.74 (paid by the carrier August 24, 2015) leaves an amount due to the requestor of $828.76. This amount is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $828.76.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of $828.76 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

		September , 2015
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.